
SENATE BILL 6830

State of Washington 60th Legislature 2008 Regular Session

By Senators Murray, Spanel, Kohl-Welles, Kline, and McDermott

Read first time 01/25/08. Referred to Committee on Ways & Means.

1 AN ACT Relating to exemption of car sharing from retail sales and
2 use tax; amending RCW 81.104.170; adding a new section to chapter 82.08
3 RCW; adding a new section to chapter 82.12 RCW; adding a new section to
4 chapter 82.14 RCW; and creating a new section.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** The legislature finds that car sharing is an
7 important element of transportation demand management that contributes
8 to commute trip reduction and results in fewer vehicle miles traveled
9 on streets and highways. The legislature intends to provide tax
10 incentives to car sharing organizations for the purpose of encouraging
11 the availability and use of car sharing as an element of transportation
12 demand management.

13 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.08 RCW
14 to read as follows:

15 The tax levied by RCW 82.08.020(1) does not apply to the use of
16 vehicles provided by a nonprofit car sharing entity or car sharing
17 business. For purposes of this section, "car sharing business" means

1 a business that provides car sharing, as defined in RCW 82.70.010,
2 under the following conditions:

3 (1) More than fifty percent of the sales of the business consist of
4 car sharing primarily for hourly use;

5 (2) Members reserve and access vehicles through a self-service,
6 fully automated reservation system, and a separate written agreement is
7 not required each time a member reserves and uses a vehicle;

8 (3) A majority of member reservations during the preceding calendar
9 year were for periods of eight hours or less;

10 (4) Members pay a membership fee that is separate from the hourly
11 charge for use of a vehicle;

12 (5) The cost of insurance, fuel, and vehicle maintenance is
13 included in either the membership fee or the hourly charge for use of
14 a vehicle; and

15 (6) Vehicles are accessed by members at dispersed locations that
16 are not owned or controlled by the car sharing business, and the median
17 number of vehicles at a location is two or fewer.

18 NEW SECTION. **Sec. 3.** A new section is added to chapter 82.12 RCW
19 to read as follows:

20 The tax imposed by RCW 82.12.020 does not apply to the use of
21 vehicles for car sharing provided by a nonprofit car sharing entity or
22 a car sharing business. For purposes of this section, "car sharing
23 business" means a business that provides car sharing, as defined in RCW
24 82.70.010, under the following conditions:

25 (1) More than fifty percent of the sales of the business consist of
26 car sharing primarily for hourly use;

27 (2) Members reserve and access vehicles through a self-service,
28 fully automated reservation system, and a separate written agreement is
29 not required each time a member reserves and uses a vehicle;

30 (3) A majority of member reservations during the preceding calendar
31 year were for periods of eight hours or less;

32 (4) Members pay a membership fee that is separate from the hourly
33 charge for use of a vehicle;

34 (5) The cost of insurance, fuel, and vehicle maintenance is
35 included in either the membership fee or the hourly charge for use of
36 a vehicle; and

1 (6) Vehicles are accessed by members at dispersed locations that
2 are not owned or controlled by the car sharing business, and the median
3 number of vehicles at a location is two or fewer.

4 NEW SECTION. **Sec. 4.** A new section is added to chapter 82.14 RCW
5 to read as follows:

6 The taxes authorized by this chapter do not apply to the use of
7 vehicles provided by a nonprofit car sharing entity or car sharing
8 business. For purposes of this section, "car sharing business" means
9 a business that provides car sharing, as defined in RCW 82.70.010,
10 under the following conditions:

11 (1) More than fifty percent of the sales of the business consist of
12 car sharing primarily for hourly use;

13 (2) Members reserve and access vehicles through a self-service,
14 fully automated reservation system, and a separate written agreement is
15 not required each time a member reserves and uses a vehicle;

16 (3) A majority of member reservations during the preceding calendar
17 year were for periods of eight hours or less;

18 (4) Members pay a membership fee that is separate from the hourly
19 charge for use of a vehicle;

20 (5) The cost of insurance, fuel, and vehicle maintenance is
21 included in either the membership fee or the hourly charge for use of
22 a vehicle; and

23 (6) Vehicles are accessed by members at dispersed locations that
24 are not owned or controlled by the car sharing business, and the median
25 number of vehicles at a location is two or fewer.

26 **Sec. 5.** RCW 81.104.170 and 1997 c 450 s 5 are each amended to read
27 as follows:

28 Cities that operate transit systems, county transportation
29 authorities, metropolitan municipal corporations, public transportation
30 benefit areas, and regional transit authorities may submit an
31 authorizing proposition to the voters and if approved by a majority of
32 persons voting, fix and impose a sales and use tax in accordance with
33 the terms of this chapter, solely for the purpose of providing high
34 capacity transportation service.

35 The tax authorized pursuant to this section shall be in addition to
36 the tax authorized by RCW 82.14.030 and shall be collected from those

1 persons who are taxable by the state pursuant to chapters 82.08 and
2 82.12 RCW upon the occurrence of any taxable event within the taxing
3 district. The maximum rate of such tax shall be approved by the voters
4 and shall not exceed one percent of the selling price (in the case of
5 a sales tax) or value of the article used (in the case of a use tax).
6 The maximum rate of such tax that may be imposed shall not exceed
7 nine-tenths of one percent in any county that imposes a tax under RCW
8 82.14.340, or within a regional transit authority if any county within
9 the authority imposes a tax under RCW 82.14.340. The exemptions in RCW
10 82.08.820 and 82.12.820 are for the state portion of the sales and use
11 tax and do not extend to the tax authorized in this section. The tax
12 authorized in this section does not apply to the use of vehicles
13 provided by a car sharing business under sections 2, 3, and 4 of this
14 act.

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